GOVERNMENT OF INDIA
TOURISM
LOK SABHA

UNSTARRED QUESTION NO:3056
ANSWERED ON:05.12.2016
Selling of ITDC Hotels
Galla Shri Jayadev

Will the Minister of TOURISM be pleased to state:

(a) whether the Government is planning to sell most of the ITDC hotels in the country;
(b) if so, the details of such hotels and the process adopted for selling of these hotels;
(c) whether several ITDC hotels have been running in huge loss for the last five years;
(d) if so, the details thereof, year-wise and hotel-wise and the reasons therefor; and
(e) the details of the amount of money expected to be raised by the Government through the sale of the said hotels?

Answer

MINISTER OF STATE FOR TOURISM (INDEPENDENT CHARGE)
(DR. MAHESH SHARMA)

(a) to (b): The Government is in process of transferring the following hotels/properties to the concerned State Governments:

(i) Hotel Lalitha Mahal Palace, Mysore to the State Government of Karnataka.
(ii) Hotel Jaipur Ashok, Jaipur to the State Government of Rajasthan.
(iii) Hotel Lake View Ashok, Bhopal to the State Government of Madhya Pradesh.
(iv) Hotel Brahmaputra Ashok, Guwahati to the State Government of Assam.
(v) Hotel Donyi Polo Ashok, Itanagar to the State Government of Arunachal Pradesh.
(vi) Hotel Pondicherry Ashok, Pondicherry to the State Government of Puducherry.
(vii) Hotel Patilputra Ashok, Patna to the State Government of Bihar.

In association with the State Government of Odisha, the Government has decided to lease out or sell Hotel Kalinga Ashok, Bhubaneswar.

Hotel Ranchi Ashok, Ranchi is to be transferred to the State Government of Jharkhand, however reply from State Government of Bihar is still awaited.

Hotel Janapath, New Delhi is to be leased out for long term basis in consultation with Ministry of Urban Development, Government of India.

(c) & (d): Some of the ITDC hotels have incurred losses during any of the last five years and details of these hotels are given in Annexure.

The main reason for losses are: global recession, stiff competition from new and modern hotels, increase in available room inventory/increasing wage cost, hike in power and fuel cost, non-renovation of rooms, etc.

(e): The transfer/lease of the hotels is a long drawn process. As these hotels are being transferred to State Governments or to be leased out, any estimation of sale proceeds may not be possible.

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